

## Chapter 4

# Project Management

Good project management from the beginning of a project will ensure that all parties concerned will see a satisfactory result for their efforts. Successful restoration of facilities and payment of funds can be expedited through good project management. There are several elements to good project management which will be discussed in this chapter.

---

### Section A - Record Keeping

Good record keeping is vital to proper management of a grant program. The single most important element to assure prompt payment of disaster assistance funds in the proper amount is a record which details the WHO, WHAT, WHERE, WHEN and WHY for each item of disaster related work or expense. The applicant should have systems in place that can track these elements even before a disaster event occurs. Then, in the chaos which follows a catastrophic event or even a moderately severe storm, the applicant will be able to record the minimum data necessary to document work and costs to FEMA's satisfaction. To ensure that work performed and costs incurred are documented, a potential applicant should:

- ◆ Designate a person to coordinate the accumulation of records;
- ◆ Establish a file for each site where work has been or will be performed; and,
- ◆ Maintain accurate disbursement and accounting records to document the work performed and the costs incurred.

Before it is known that a major disaster will be declared by the President, it may seem to be too much "book-keeping" to maintain records in the degree of detail discussed above. However, supervisors should record who was doing what and where so that the information will be available if and when a disaster is declared. Later on, after a State-FEMA inspection team has written a DSR, the

DSR number for each project site can be used as the reference point for accumulation of all information.

---

## Section B - Contracting

When emergency work is performed by individuals other than the applicant’s own employees during the emergency phase of a disaster, normal procedures should be followed as closely as possible. Although it may not be possible to follow detailed competitive bidding procedures in such situations, every attempt should be made to foster competition for the work. Proposals can be solicited by telephone from more than one supplier and responses obtained in a short period of time. Oral contracts may be eligible if a record is kept of the conversation and it is followed up as soon as possible by a written contract. To the extent possible, normal contracting procedures should always be followed in accordance with the procurement section of the Common Rule at 44 CFR 13.36.

---

## Section C - Time Limits

There are time limits established for the completion of eligible work. These are set by regulation and are measured from the declaration date of the major disaster or emergency. The initial deadlines are established according to the type of work as follows:

Completion Deadlines	
Type of Work	Months
Debris clearance	6
Emergency Work	6
Permanent Work	18

Depending on the extent and impact of the disaster, the grantee or the DRM may impose lesser deadlines than those stated in the table.

The grantee may also grant extensions of the above deadlines in situations of

extenuating circumstances. For debris clearance and emergency protective measures, an additional 6 months may be granted. For permanent restoration work, an additional 30 months may be granted. Requests by subgrantees for time extensions should include, identification of the project by DSR number, the dates and provisions of any previous extensions granted for the particular project, a detailed justification of the delay, and a projected comple-

tion date. The justification should be based on extenuating circumstances or unusual project conditions beyond the control of the subgrantee. FEMA may review the grantee's actions on time extensions on a periodic basis to ensure compliance with the regulations.

Requests for extensions of time beyond the above grantee authorities shall be submitted by the grantee to the DRM. Information to be contained in the request is the same as in a request submitted for grantee approval. The DRM will make a determination as to whether some or all of the requested extension should be granted and will inform the grantee in writing. The DRM has authority to grant extensions appropriate to the situation. The DRM may impose requirements upon the grantee to ensure that the project will be completed within the approved time limit.

The subgrantee will be reimbursed only for those costs incurred up to the latest approved completion date for a particular project. However, the project must still be completed by the subgrantee for any funding to remain approved for that project.

---

## Section D - Changes in Scope of Work and Costs

During the performance of work on a project, the subgrantee may discover that additional work may be necessary to properly complete the project or that certain costs are higher than those used to make the original estimate for the DSR. Delays in the work schedule may also increase costs. When a need for additional funding is discovered, the subgrantee should notify the grantee as soon as possible. The assumption should not be made that such costs can be reported at the end of the project and that the additional funds will be automatically approved. The request should contain justification for the eligibility of the additional work or costs. If additional damage to the facility is involved, then it may be necessary to show how that damage is disaster related.

The request will be forwarded by the grantee with a written recommendation to FEMA. In order to determine eligibility, an additional inspection may be necessary. If so, the inspection may be jointly scheduled with FEMA, the grantee and subgrantee as necessary.

The DRM will notify the grantee either with a supplemental DSR for additional funding or a written denial of the request.

The above procedures apply to large projects in all cases. For small projects, scope of work changes and cost overruns are each handled differently. On a small project, correction of a gross error or omission in the scope of work on the DSR should be requested as described above; however, cost overruns are usually not individually reviewed by FEMA. The total final costs of all small projects for a subgrantee will be reviewed and if there is a significant cumulative overrun, an appeal for additional funding may be submitted to FEMA (See *Appeals* in Chapter 2). The significance of an overrun for a particular subgrantee will be determined by FEMA on a case-by-case basis.

Such an appeal must be submitted within 60 days following the completion of all small projects of that subgrantee. The appeal will be required to include documentation of all costs of all small projects for that subgrantee, those with underruns as well as the overruns. This burden of documentation of the costs for all projects should be considered when deciding whether to submit an appeal. Except when an appeal is to be submitted for a cumulative overrun, cost documentation for small projects does not need to be submitted to FEMA and the grantee must only certify that the work was completed in accordance with the approved DSR.

---

## Section E - Progress Reports

There is a relatively small reporting requirement in this program. It concentrates on the larger projects that may require considerable time to complete. There are no reporting requirements for small projects other than inclusion of all projects on the listing for the Financial Status Report. For large projects, the grantee will submit a report on all projects on which a final payment has not yet been made (final payments are discussed in Chapter 2).

The grantee will submit reports quarterly to the Regional Director. The date of the first report will be determined jointly by the grantee and the DRM depending on the circumstances at the time. The progress report will describe:

1. The status of the project, i.e., “in design,” “under construction,” etc.;
2. A projected completion date; and,
3. Any problems or circumstances that could delay the project, or result in noncompliance with the conditions of the FEMA approval.

As final payment is made on each large project, the project may be dropped from the report at the time that FEMA approves the final accounting submitted by the grantee.

FEMA has no reporting requirements for subgrantees but the grantee is expected to impose some reporting requirements on subgrantees so that it can prepare the reports the grantee must submit to FEMA. The format by which the subgrantees submit project reports to the grantee will be determined by the latter.

Financial management reports required by the common rule, 44 CFR part 13, will be submitted at least annually. The electronic funds transfer system, SMARTLINK, administered by the Department of Health and Human Services, or other system that may be used, also requires grantee reports.

